

Family Development Account Program

FY 2020 Guidelines and Application

Business and Community Services
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Department of Economic Development

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Statutory Notices

A. Changes in Processing of Tax Credits (Section 135.815, RSMo)

Before tax credits can be issued, the Missouri Department of Economic Development (DED) is required to verify with the Departments of Revenue and Insurance that the applicant does not owe any delinquent income, sales, use, or insurance taxes, as well as interest or penalties on such taxes. If a delinquency exists, the amount of any tax credits issued will be reduced by the delinquent amount. Should any credits remain after satisfying any delinquency, such credits will be issued. Further, any applicant who purposely and directly employs unauthorized aliens will forfeit any credits that have been issued, but not redeemed, and shall repay the amount of any redeemed credits during the period of time any such alien was employed by the applicant.

B. Reporting Requirements (Section 135.805, RSMo)

Pursuant to Section 135.805, RSMo, for a period of three years following the issuance of tax credits, a tax credit recipient shall submit annually to the Department of Revenue, information pertaining to the project for which Family Development Account Tax Credit Program (FDA) credits were issued. Section 135.805(10) RSMo clarifies that “no person or entity shall be required to make an annual report until at least one year after the credit issuance date”; therefore, a tax credit recipient is likely to only be required to submit two (2) annual reports during the three years following issuance. The approved FDA organization shall: report the actual number of jobs created as a result of the tax credits on the last day of the annual reporting period, separated by part-time permanent and full-time permanent for each month of the preceding twelve-month period; confirm the title and location of the project; the estimated or actual time period for completion of the project; and all geographic areas impacted by the project.

For approved FY2020 projects, the report required by this section shall be due annually on June 30. Because a full year must pass after the issuance of the tax credits before reporting is required, the first report will not be due prior to June 30, 2021.

C. Penalty Provisions (Section 135.810, RSMO)

Once credits have been issued, any failure to meet the annual reporting requirements, or any determination of fraud in the application process, shall be subject to the incremental penalties provided in Section 135.810, RSMo. Failure to report for more than six months, but less than a year, shall result in a penalty of 2% of the value of the credits for each month of that delinquency. Failure to report for more than a year shall result in a 10% penalty for each month of delinquency up to 100% of the value of the credits. Any fraud in the application process will result in a penalty equal to 100% of the credits issued.

D. Closed Records (Section 610.255, RSMo)

Records and documents submitted as part of an application for tax credits to DED are closed records until such time as the information no longer concerns a pending application (i.e., where no credits have yet been authorized). DED retains the authority to close records or documents that “relate to financial investments in a business, or sales projections, or other business plan information which may endanger the competitiveness of a business” or as also provided by law. In the event a document or record contains both open and closed records, DED will provide a redacted version of such record or document in order to protect otherwise closed information.

FAMILY DEVELOPMENT ACCOUNT PROGRAM

PURPOSE

The Family Development Account (FDA) Program is a matched savings program administered by the Missouri Department of Economic Development. The program is a community building initiative established for the purpose of promoting self-sufficiency through asset-development for low-income Missourians.

The FDA Program awards tax credits to approved community-based organizations. The tax credits are used to leverage donations that will serve as a match for individual savings in a family development account. The matched savings can be used to help finance the purchase of a primary residence, make repairs to a home, pay for educational expenses, pay for job training, and promote small business development.

Using the program guidelines, community-based organizations are encouraged to exercise flexibility and creativity to design and implement a FDA project that best suits the needs of their local communities.

PROGRAM ASSUMPTIONS

The FDA Program believes the following to be true:

- People with low incomes wish to create value and move toward economic independence.
- Saving and asset building are the means and measures of community and economic development.
- FDAs and asset building are investment strategies that, if appropriately designed, should produce returns for all investors.
- FDAs develop and reaffirm strong habits for saving money and investing in the future of participants.
- FDAs promote individual employment because deposits generally come from earned income.
- FDAs help reduce dependence on state and federal programs, increase employment opportunities, spur business opportunities in poor communities, and foster revenue growth.
- FDAs help rejuvenate neighborhoods through small business development and home ownership.
- FDAs help move people above the poverty level by opening avenues to self-employment, higher education, and home ownership.

PROGRAM GOALS

The FDA Program has identified the following program goals as areas the program will impact:

- Decrease the number of Missourians receiving public income support.
- Increase the number of Missourians with incomes above 100% of the poverty level.
- Increase the number of Missourians who become homeowners.

- Increase the number of Missourians over age 25 completing accredited post-secondary education.
- Increase the number of Missourians operating a small business.
- Decrease the number of communities with a high concentration of poverty.

DEFINITIONS

The following words and phrases when used in these guidelines shall have the meanings given to them in this section unless the context clearly indicates otherwise.

DED - Department of Economic Development

FDA Program - Family Development Account Program

Saver - The individual or family who resides in Missouri and who meets the income eligibility requirements for participation in an approved account program.

Account - A family development account at a financial institution that is approved by the DED and which is maintained by the saver as part of an approved account program for the restricted purpose of providing funds for an eligible use.

Reserve Fund Account - An account established by the applicant to hold matching funds for the family development account and funds for administrative costs.

Administrative Costs - The cost of clerical support, administrative personnel, janitorial and maintenance services, office equipment and supplies, audits, fidelity bonds, space rental, insurance, conferences and transportation of staff.

Applicant - A community-based organization, an organization with a Chapter 352 status, or a nonprofit corporation formed under Chapter 355, requesting tax credits from the DED under the Family Development Account Program to leverage contributions to conduct and administer eligible program activities.

Approved Plan with Saver - The contract between the saver and the applicant that defines savings goals and program requirements, including the anticipated use of both the savings and the matching funds.

Financial Institution - Any bank, trust company, savings bank, credit union or savings and loan association as defined in Chapter 362, 369 or 370, RSMo.

APPLICANT ELIGIBILITY

Applicant organizations must provide proof of registration with **E-Verify** and meet one of the following criteria to be eligible to administer a family development account:

- Be a religious or charitable association formed pursuant to Chapter 352, RSMo (Organizations cannot require attendance at religious services or use any portion of the FDA funds to promote, encourage, advocate, or enlist any individual in any religion or faith or for any partisan purpose.)

- Be a nonprofit corporation formed under Chapter 355, RSMo

QUALIFYING INDIVIDUALS/FAMILY MEMBERS

An individual or family member may qualify to participate in a Family Development Account program if:

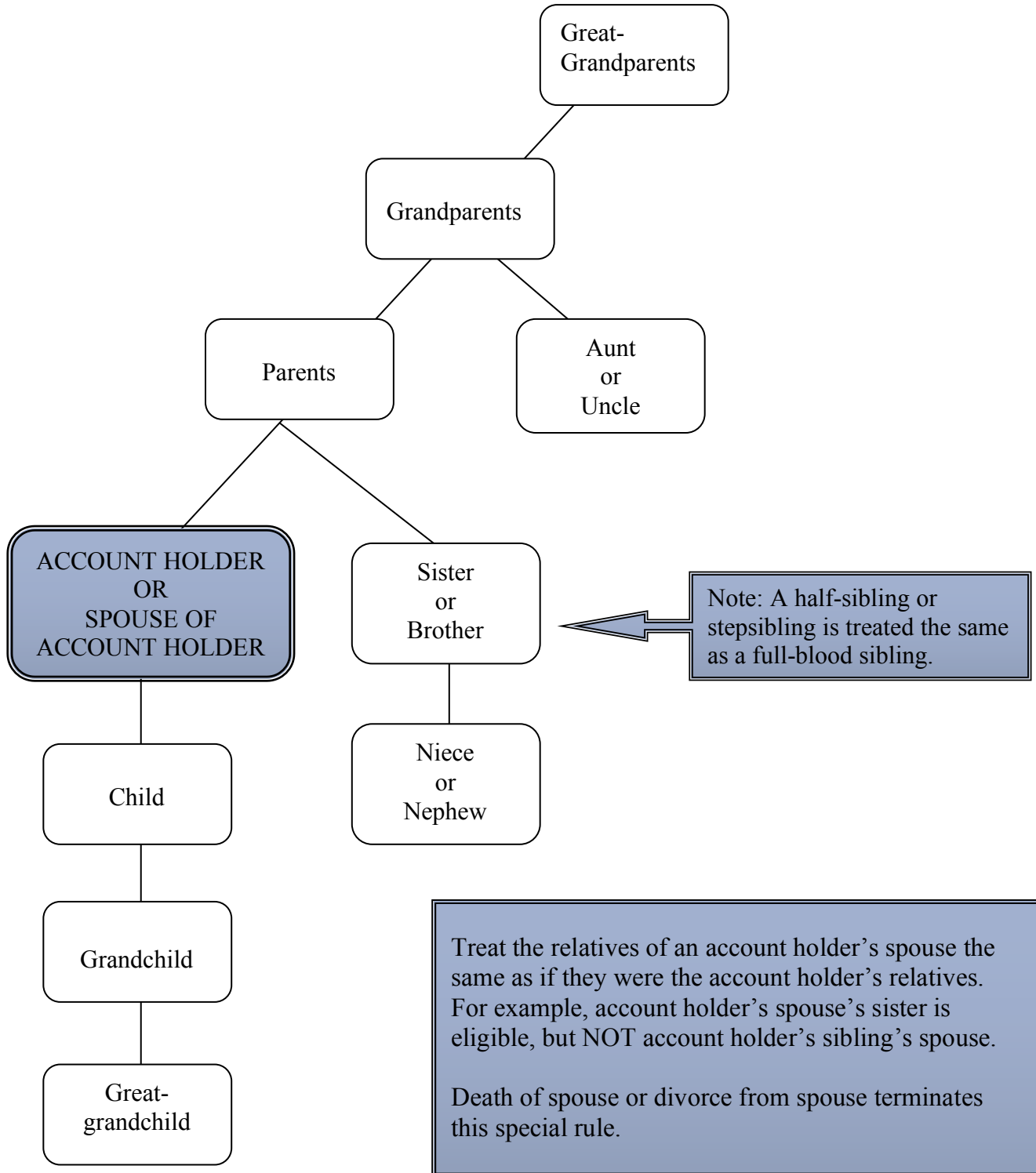
- The family or individual has applied and been accepted into a family development account program by a participating community-based organization approved by the Missouri Department of Economic Development.
- The household income is less than or equal to two hundred percent of the federal poverty level (see Department of Health and Human Services Poverty Guidelines chart). Income includes salaries, wages, dividends, Social Security, pensions or other cash receipts for the 12-month period immediately preceding the date of enrollment. Specifically excluded from consideration are welfare payments, Supplemental Security Income (SSI), Social Security Disability Income (SSDI) payments, state or federal training program stipends and unemployment compensation. Pay stubs, statement from employer, W-2 forms, Social Security Award letter or signed statements from the Social Security Office shall be adequate documentation.

Department of Health and Human Services 2019 Poverty Income Guidelines

SIZE OF FAMILY UNIT	POVERTY LEVEL	200% OF POVERTY LEVEL
1	\$12,490	\$24,980
2	\$16,910	\$33,820
3	\$21,330	\$42,660
4	\$25,750	\$51,500
5	\$30,170	\$60,340
6	\$34,590	\$69,180
7	\$39,010	\$78,020
8	\$43,430	\$86,860

For family units with more than 8 members, add \$4,420 for each additional member. For the 200% equivalent, add \$8,840. Source: <https://aspe.hhs.gov/poverty-guidelines>

The following chart lists family members for which a family development account may be established, as long as those family members reside in the same household. For example, an account holder may establish a family development account for a niece or nephew residing in the same household. The family development account savings may be used to pay any eligible activity for that niece or nephew.



ELIGIBLE USE OF FAMILY DEVELOPMENT ACCOUNTS

Families or individuals approved for a family development account may use their savings, including the matching funds contributed by the approved FDA applicant, to offset costs for:

- Educational costs for any family member at an accredited institution of higher education.
- Job training costs at an accredited or licensed training program for any family member eighteen years of age or older.
- Purchase of a primary residence.
- Major repairs or improvements to a primary residence.
- Start-up capital for a small business for any family member eighteen years of age or older.

FUNDING AND DISTRIBUTION

The DED has an annual allocation of \$300,000 in 50% tax credits to award to applicant organizations wishing to administer an FDA Program.

The applicant will be required to solicit contributions in order to provide the necessary matching funds for the family development accounts.

Applicants may submit an application for a project period of one or two years. A maximum tax credit amount of \$100,000 may be requested, enabling the organization to leverage \$200,000 in cash contributions, regardless of the project period.

No more than 20% of total FDA monetary contributions received may be used for administrative costs associated with the program during its first two years in operation. If new applications are submitted when the organization is in its third or subsequent years of operating matched savings accounts, no more than 15% of total cash contributions received may be used for costs associated with administration of the program.

Should the project not meet anticipated fundraising or performance goals, the DED reserves the right to recapture unused credits for reallocation.

The DED reserves the right to make conditional awards and to set policies and priorities for the FDA Program.

(See Sample Budget on next page)

FDA SAMPLE BUDGET – TWO YEAR PROJECT

Family Development Account Program (FDA) applicants must submit a budget and justification to explain the line items that will be funded through FDA contributions. Program costs to be supported through the FDA program should be budgeted for a one or two-year period. Savings account matching funds and administrative costs are allowable expenses. All other costs of implementing the program not funded by FDA donations should be entered in the Amount From Other Sources Column.

FDA BUDGET & JUSTIFICATION Include all costs associated with implementing the program.	FDA Budget	Amount From Other Sources	Total Project Cost
1. Matching Funds for FDA Savings Accounts	\$ 80,000	\$50,000	\$130,000
2. Administrative Costs (Applicants may use 20% of FDA contributions received for administrative costs in the first two years of operation. Applicants participating for subsequent years may only use 15% of contributions for administrative costs.) A. Salary - Project Administrator B. FDA program audit C. Professional Services - contract services for financial literacy classes; 2 instructors x \$4,000 D. Supplies - postage, paper, copies, brochures, handouts E. Transportation for participants F. Child care costs - for children of participants attending financial literacy classes	\$8,000 \$1,500 \$8,000 \$500 \$1,000 \$1,000	\$2,000	\$10,000
3. TOTAL BUDGET	\$100,000	\$52,000	\$140,000
4. TOTAL TAX CREDITS (50% of the dollar amount on line 3)	\$50,000		

NOTE: If the FDA application is approved, the proposed budget will become the approved project budget unless changes have been made during the review process by DED staff. Approved organizations will be notified of any changes. DED staff must approve all subsequent budget revisions in writing before funds are expended for line items other than those listed above.

FISCAL REQUIREMENTS

The DED will maintain fiscal oversight of funds received through any allocation of tax credits for a period of five years. Such oversight may be extended if the applicant continues to participate in the FDA Program for a period longer than five years. The applicant will be responsible for all required reports related to the use and maintenance of funds in accordance with the FDA guidelines.

In the event an approved applicant is unable to complete the FDA project as agreed upon with the DED or chooses to terminate the project prior to completion, the organization may, at DED's discretion, be required to: return any donations remaining in the reserve account to the donors; or, repay to DED the value of any tax credits already issued on donations made to the project.

REQUIREMENTS OF THE APPLICANT ORGANIZATION

Organizations approved to administer an FDA project must:

- Utilize management information system software for tracking client data.
- Submit contractual agreements, between the applicant and a financial institution, with the application and prior to opening FDA accounts with the financial institution. The agreement should identify the responsibilities of the applicant and the financial institution in promoting effective management of the family development accounts to ensure their safety and security.
- Establish two fund (reserve) accounts at an approved financial institution for 1) contributions that will be used for administrative costs of the program, and 2) for matching funds.
- Recruit and screen individuals/family members to participate in the program.
- Develop an approved plan with each enrolled saver. The approved plan must identify:
 - (a) the minimum savings amount and the amount of money the saver intends to deposit to their savings account on either a weekly, bi-weekly or monthly basis;
 - (b) the purpose/specified end use of the savings and matching funds; and
 - (c) an action plan that outlines the activities and related resources necessary to prepare the saver to reach the identified goal of the approved plan.
- Solicit funds, using FDA tax credits as leverage, from qualified organizations, businesses, or individuals to match the funds in the saver's account.
- Provide a match of up to \$3 for every \$1 of cash contributions deposited by a saver. The saver may receive no more than a 3:1 match for deposits into the savings account. The 3:1 match includes the matching funds from the applicant participating in the FDA Program plus any matching funds from other organizations and the federal government.
- Deposit funds into the reserve fund accounts at least monthly.
- Submit written authorization to the financial institution for qualified withdrawals by a saver.
- Establish procedures for savers to be included in decisions regarding the investment of funds in the accounts.

- Provide a minimum of four workshops in basic economic literacy, including topics such as personal checking, budgeting and credit repair, loans and grants resource development and personal financial planning.
- Establish a process for regular evaluation and review of family development accounts to ensure program compliance. Maintain client files that include documentation of income eligibility, development plan, savings and financial information, progress and follow-up reports on the use of funds.
- Ensure that the saver's family development account does not exceed the maximum of \$2,000 in a calendar year and no more than \$50,000 total at any time.
- Monitor accounts to ensure funds are used within five years of the saver's initial approval for the FDA Program. If funds are not utilized within the five-year period, the account should be closed. Funds will be forfeited and reallocated under guidelines established by DED.
- Submit biannual reports to the DED indicating: the amount of FDA donations received and spent to date, progress toward outcomes, participating financial institution updates, and any additional information that may be requested.
- Notify and request approval from DED in writing for any program and/or budget revisions.
- Submit completed tax credit applications along with required verification to DED.
- Submit a final project report, which includes a final project evaluation, and a final project budget within six months following the end of the project period.
- Submit a project audit (Agreed Upon Procedures developed by DED), performed by an independent CPA at the end of the contract period. In order to minimize audit costs borne by the applicant, the project audit may be included as part of the annual agency audit. However, the FDA Program must be clearly designated in the agency audit, and specific findings with regard to the funds received and dispersed in the FDA Program must be included in the auditor's report. The audit is due within six months of the project period end date/termination of the contract. An audit is not required if less than \$25,000 in tax credits is utilized.
- Submit Accountability Act reports. (See page 3 for details.)

REQUIREMENTS OF THE SAVER

The saver (individual account holder) participating in an approved FDA Program shall:

- Open a family development account at a partner financial institution. All monies in that account shall belong to the saver, with the applicant as the custodian of the account.
- Identify a long-term benefit (eligible use) for the savings and the matching funds.
- Attend at least four financial literacy classes offered by the approved applicant, unless attendance in a similar training course for an equivalent amount of time can be documented.
- Limit deposits to not more than \$2,000 into the account in a calendar year. The total balance in an account at any time may not exceed \$50,000, including funds in the matching fund account.

- Withdraw funds only for approved expenses, per the guidelines. Savers who withdraw monies from a family development account for unapproved expenses will forfeit all matching funds, and the funds deposited in the account will be subject to taxation. All matching funds forfeited by the saver will be returned to the applicant's reserve account to reallocate to other matching fund accounts.
- Submit a written request to the applicant for funds from the account.
- Actively participate in the FDA Program for at least six months before making any withdrawals.
- Designate a contingent beneficiary in the event of the saver's death. The account holder must name the beneficiaries at the time the account is established but may change the named beneficiaries at any time. If the named beneficiary is deceased or otherwise cannot accept the transfer, the monies shall be transferred to the reserve fund account of the applicant.
- All withdrawals for qualified program purposes must be completed within five years of the saver's initial approval for the FDA Program. If funds are not utilized within the five-year period, funds will be forfeited and reallocated under guidelines established by DED.

REQUIREMENTS OF FINANCIAL INSTITUTIONS

A financial institution establishing a family development account shall:

- Have an office located in Missouri.
- Be insured by the FDIC (Federal Deposit Insurance Corporation) or the FSLIC (Federal Savings and Loan Insurance Corporation). Credit unions must be insured by the NCUA (National Credit Union Administration). All financial institutions must be federally - or state - chartered.
- Sign a participation agreement with the organization administering the FDA project, pending approval from the DED.
- Maintain the reserve fund accounts in the name of the applicant.
- Maintain the accounts in the name of the saver, with the applicant designated as the custodian.
- Permit deposits to be made in the account by the saver or the applicant on behalf of the saver.
- Guarantee the family development accounts shall earn at least the market rate of interest.
- Permit the saver to withdraw monies from the account for approved purposes, but only with written authorization from the applicant.
- Provide savers and the approved FDA administrator with a monthly statement of all deposits and withdrawals from each saver's account.

CLOSING A FAMILY DEVELOPMENT ACCOUNT

The FDA applicant/administrator may close a family development account if:

- The saver has withdrawn monies from the account for a purpose not authorized, or monies have been withdrawn under false pretenses and have been used for purposes other than for the approved purposes indicated at the time of withdrawal.
- There has been no activity in the account during the preceding twelve months.
- The saver has not complied with the terms of the FDA agreement (between the saver and the applicant) after the saver has been provided a reasonable opportunity to comply.

Matching funds will be forfeited if: an account is closed by the saver prior to completion of the FDA Program, if the saver fails to meet the minimum savings amount established, if the saver fails to fulfill workshop requirements, or if the saver withdraws funds for ineligible uses.

SPECIAL CONDITIONS OF THE FAMILY DEVELOPMENT ACCOUNT

- Monies deposited in or withdrawn from a family development account are exempted from taxation pursuant to chapter 143 RSMo, excluding withholding tax imposed by sections 143.191 to 143.265 RSMo, and chapter 147, 148 or 153, RSMo, provided, however, that any monies withdrawn for an unapproved use should be subject to tax as required by law.
- Interest earned by an account is exempted from taxation pursuant to chapter 143, RSMo.
- Any funds in an account, including accrued interest, shall be disregarded when determining eligibility to receive, or the amount of, any public assistance or benefits.

ELIGIBLE CONTRIBUTORS

The following individuals or entities may make cash contributions, in exchange for tax credits, to an applicant approved by DED to administer a FDA program:

- Corporations
- Insurance Companies
- Express Companies
- Banks and other financial institutions
- Partnerships
- Limited Liability Companies
- Trusts or Estates
- Individuals
- Any other entities subject to tax under chapters 143 (excluding withholding tax imposed by sections 143.191 to 143.265), 147, 148 and 153, RSMo.

If you have a question about whether an individual or entity is an eligible contributor, please contact the FDA Program **before** accepting contributions from the individual or entity.

QUALIFYING CONTRIBUTION TYPES

- Cash - Check, credit card, or EFT (Electronic Funds Transfer)
- Stocks
- Bonds

CLAIMING THE TAX CREDIT

FDA Program tax credits may only be used against certain Missouri State tax liabilities. A tax credit for qualifying contributions of up to \$50,000 may be claimed within a single tax year. The tax credit must be claimed for the year in which the contribution was made.

A program contributor will be allowed a credit equaling 50% of the contribution. The tax credits may be applied against the following state tax liabilities:

- Chapter 143, RSMo-corporate and individual state income tax, excluding withholding tax imposed by sections 143.191 to 143.265.
- Chapter 147, RSMo-corporate franchise tax.
- Chapter 148, RSMo-gross premium receipts tax of insurance companies and tax of banks and other financial institutions.
- Chapter 153, RSMo-gross receipts tax of express companies.

FDA contributions may also be tax-deductible if made to a tax-exempt IRS 501(c)(3) entity.

VERIFICATION OF TAX CREDITS

Contributors must submit a tax credit application signed by the FDA project administrator to the DED. The tax credit application may be obtained from DED or from the administrator. The DED will send a certification to the contributor verifying the amount of approved tax credits and notify the Missouri Department of Revenue. The tax credit must be claimed for the tax year in which the contribution was made. FDA tax credits are **not** transferable.

APPLICATION INSTRUCTIONS

Read the application questions thoroughly and answer them as completely as possible. The focus should be on goals and outcomes.

Adhere to the following guidelines:

- The application must be typed, using a font of at least 11 point.
- Type the number and question above each response, and answer every question fully.
- Include attachments – Contract with Financial Institution, Legislator Letters, E-Verify, IRS 501(c)(3) letter, Articles of Incorporation.
- Submit **one, single-sided** copy of the application with **original** signatures.
- Keep a copy of the entire application, including all attachments, for your records.

APPLICATION ATTACHMENTS

1. **Articles of Incorporation and 501(c)(3) letter**
2. **Attachment A – Current Members of the Board, Council, or Commission** – List ALL current members of the applicant’s Board. Provide each member’s: name, day phone, occupation, and position on the board, and indicate whether the individual is a resident of the project area.
3. **Attachment B – Financial Institution Contract** – Provide a signed copy of the contract between the applicant organization and the financial institution that will open saver accounts.
4. **Attachment C – Letters of Support** – Applicants are required to provide letters of support from a State Representative and a State Senator. To identify your legislators, use the “Find Your Legislators” search at: <https://ogi.oa.mo.gov/LEGIS/LegislativeDistrict/index.html>

Applicants may also submit letters of support from individuals (other than members of the organization’s board and staff), partner agencies, and/or clients. Additional letters are optional. Letters of support should be **dated within six months** of submission of the application.

5. **Attachment D - Applicant Certification** - This form certifies that the information contained in the application is true, correct, and complete, and that your organization: has read and understands the Guidelines; does not employ unauthorized workers; does not have any unpaid federal, state, or local taxes; etc. The Certification form must be signed (by the Executive Director of the organization or by a person duly authorized to represent the applicant organization) and notarized.
6. **E-Verify MOU** - All applicants must: 1) enroll in E-Verify, and 2) provide supporting documentation. All applicants must complete this form and attach a copy of the E-Verify memorandum to be eligible for FDA.

The E-Verify Program, conducted jointly by the U.S. Citizenship and Immigration Services (USCIS) Verification Division and the Social Security Administration (SSA), is designed to provide employment status information to determine the eligibility of applicants for employment. E-Verify requires that participating commercial employers use the automated Verification Information System (VIS) to check the SSA and the USCIS databases to verify the employment authorization of ALL newly hired employees. An employer's participation in E-Verify is currently free. To access E-Verify, go to: <http://www.uscis.gov/e-verify> or contact the E-Verify toll free Help line at (888) 464-4218.

To retrieve a copy of your electronically signed MOU:

- After receiving a confirmation email that your organization is successfully enrolled, log back into the Account
- Click on “Edit Company Profile” in the left menu
- Click on “View MOU” button
- ONLY the Program Administrator can access the electronically signed MOU

SUBMITTING YOUR PROPOSAL

The FDA Program accepts applications on an open cycle each fiscal year. Proposals will be accepted at any time during the year and reviewed on a first-come, first-reviewed basis. Receipt of all applications will be acknowledged in writing.

FDA Program applications should be mailed to:

Family Development Account Program
301 West High Street
Truman State Office Building, Room 770
Jefferson City, MO 65101

Application Review

The FDA Program Team will review applications in the following manner:

1. Initial Screening

An initial screening is conducted to determine eligibility and that the application is complete. Any application that is incomplete, fails to answer any of the required items, and/or fails to submit required attachments may be disqualified from further consideration. The applicant will be notified if the application has been disqualified for any reason.

Applicants **must** be in Good Standing with the Secretary of State. To find out if your organization is in good standing, visit

<https://bsd.sos.mo.gov/BusinessEntity/BESearch.aspx?SearchType=0>

2. Proposal Review and Rating– Maximum Points: 100

DED will consider the following as part of the review: Fiscal accountability of the applicant and the ability of the applicant to provide or raise funds for matching contributions; the significance and quality of proposed auxiliary services, including economic literacy seminars and their relationship to the goals of the FDA Program; partnering financial institutions; key persons involved in the administration of the FDA Program; targeted customers, project goals and outcomes, etc.

NOTIFICATION OF AWARD

Organizations selected for approval will receive notification from the DED as well as a contract. Organizations not selected for participation in the program will also receive written notification from DED.



Department of Economic Development

FOR STATE USE ONLY

PROJECT #

FAMILY DEVELOPMENT ACCOUNT FY2020 PROJECT APPLICATION

P.O. Box 118, Jefferson City, MO 65102

Phone: (573) 751-4539 E-mail fda@ded.mo.gov

Website: <http://www.ded.mo.gov/>

APPLICANT (OFFICIAL OR LEGAL NAME)		NAICS*	MITS/MO ID #	FEIN
STREET ADDRESS, CITY, STATE, ZIP +4				
PROJECT DIRECTOR NAME (First, Middle, Last)			TITLE	
DAY PHONE		FAX	E-MAIL ADDRESS	
AGENCY DIRECTOR (First, Middle, Last)			DATE OF BIRTH (Required)	
ORGANIZATION SIZE (# of employees) <input type="checkbox"/> 100 OR LESS <input type="checkbox"/> 101 - 500 <input type="checkbox"/> 501 OR MORE			PROJECT PERIOD <input type="checkbox"/> 1 YEAR <input type="checkbox"/> 2 YEAR	
REQUESTED TAX CREDIT AMOUNT \$		REQUESTED BUDGET AMOUNT \$		
INCORPORATION <input type="checkbox"/> STATE OF MO RELIGIOUS OR CHARITABLE ASSOC. UNDER CHAPTER 352, RSMO <input type="checkbox"/> NONPROFIT CORPORATION FORMED UNDER CHAPTER 355 RSMO Date of Incorporation: _____ Attach Articles of Incorporation (and Bylaws if applicable.)				
<input type="checkbox"/> Yes <input type="checkbox"/> No Are services rendered to clients without discrimination?				
<input type="checkbox"/> Yes <input type="checkbox"/> No Does your organization conduct any religious or partisan activities? If yes, attach a detailed description of those activities/services.				
<input type="checkbox"/> Yes <input type="checkbox"/> No Does your organization require participation in any religious or faith based activities in order to receive services? If yes, provide a description of structured/alternate activities that clients may participate in should they chose not to participate in religious activities.				

***Required.** NAICS (North American Industry Classification System), Missouri businesses are assigned a NAICS when the company files a "Report to Determine Liability Status" with the MO Department of Labor and Industrial Relations to determine Unemployment Tax Liability. If you do not know your organization's NAICS code, please contact the MO Department of Labor and Industrial Relations at (573) 751-3340. If your organization has not been issued a NAICS, please indicate N/A in the NAICS box.

LITIGATION HISTORY

1) Organization:

- a. Has the organization ever been convicted of a violation of any state and/or federal laws?

☐ Yes ☐ No

- b. **If yes**, provide the date, the Court, the charges at disposition and the case number. Attach a separate sheet if additional space is required.

2) Principal (CEO, CFO, Principal, Managing Partner, and Executive Director):

- a. Has the “principal” ever been convicted of a violation of any state or federal law?

☐ Yes ☐ No

- b. **If yes**, provide the date, the Court, the charges at disposition and the case number. Attach a separate sheet if additional space is required.

3) Contact:

- a. Has the “contact person” or project administrator ever been convicted of a violation of any state or federal law?

☐ Yes ☐ No

- b. **If yes**, provide the date, the Court, the charges at disposition and the case number. Attach a separate sheet if additional space is required.

FDA APPLICATION NARRATIVE QUESTIONS

1. Describe your FDA project, its objective and how it relates to your organization's mission.

Maximum Points: 8

2. Describe your organization's plan for providing economic literacy education and any other proposed auxiliary services as part of your FDA program. Provide details such as frequency and duration of classes, a curriculum description, location, and any other unique features of programming that will make programming more accessible to, and beneficial for, participants.

Maximum Points: 10

3. Describe the project service area. Discuss geographic boundaries, demographics, socio-economic data, etc.

Maximum Points: 5

4. Indicate the number of individuals who will enroll in the savings program each year of the proposed FDA project period. If the project is a continuation or expansion of an existing saving program, indicate the number of individuals enrolling in recent years.

Identify characteristics specific to the population your project will target (such as educational level, employment status, income level, and other risk factors impacting the individuals) and your organization's familiarity and experience working with the targeted population.

Maximum Points: 10

5. State the goals and outcomes you will achieve through this project. For example, how many new accounts will be established during the project period? How many individuals will demonstrate increased financial literacy and/or completion of 12 or more hours of financial literacy courses? If available, use baseline data to show an increase in your outcomes from the previous year. How did you determine the number enrolling and the number to achieve outcomes?

Maximum Points: 12

6. Describe the tools and tracking systems you will use to verify enrollment, savings, increased financial literacy, and any other outcome data. Describe any tests used for measurement, the method for data collection, and frequency of evaluation. Identify the individuals responsible for gathering and reporting data to DED.

Maximum Points: 10

7. Provide a timeline for activities from the marketing of the program to potential savers through the achievement of outcomes. The timeline should coincide with your project period, show the steps your agency must take to implement the project, and show levels of participation of clients.

Maximum Points: 5

8. Provide a discussion of your organization's history, as well as all other services and programs. Summarize two of your organization's recent past projects that are similar to the proposed FDA project. Include the timeframe for each project, projected budget funding and anticipated outcomes versus actual project costs and actual outcomes. Were you successful in raising/obtaining all projected funding and serving the number of individuals proposed.

Maximum Points: 10

9. Identify the individuals with the most responsibility for the development and implementation of the project. Discuss their day-to-day roles in oversight, working with customers, tracking outcomes, etc. Please also discuss special qualifications or experience of staff members.

Identify any agencies that will work with your organization as partners or contract agents in the implementation of services. Be specific in terms of their roles.

Maximum Points: 10

10. Provide a detailed plan for raising donations using FDA tax credits. The fundraising plan should be specific to utilization of FDA credits and should include a timeline of all activities and events that will be conducted to solicit donations for the project. Identify targeted donors. Provide a timeline for fundraising activities and milestones to show the amount of FDA donations you expect to have raised at various points during the project period.

Discuss how credits will help your organization increase the amount of funds raised from individual and charitable contributors as matches for FDA accounts.

Maximum Points: 10

11. Identify other sources of financial support that your organization will seek for implementation of the proposed FDA project. For each funding source, identify:

- Entity name;
- Program name (if the funder administers multiple funding programs);
- The amount of funding expected from each source during the proposed project period; and
- The status of pending or not yet submitted requests (When are applications due? When will a funding determination be made by the funder? Etc.)

Maximum Points: 5

12. Describe any innovative or best practices that will be implemented in this project to promote program sustainability, efficiency, and/or increased customer participation.

Maximum Points: 5

The FDA Budget

Family Development Account Program (FDA) applicants must submit a budget with justification to fully explain all line items that will be supported through FDA contributions. Program costs to be supported through the FDA program should be budgeted for a one or two-year period. Savings account matching funds and administrative costs are allowable expenses.

FDA BUDGET & JUSTIFICATION Include all costs associated with implementing the program.	FDA Budget	Amount From Other Sources	Total Project Cost
1. Matching Funds for FDA Savings Accounts			
2. Administrative Costs (Applicants may use 20% of FDA contributions received for administrative costs in the first two years of operation. Applicants participating for subsequent years may only use 15% of contributions for administrative costs.)			
3. TOTAL BUDGET			
4. TOTAL TAX CREDITS (50% of the dollar amount on line 3)			

Note: This is a **proposed** budget for an FDA project. DED reserves the right to make adjustments to budget proposals. You will be notified of any changes. If approved, DED staff must approve all budget revisions **in writing** before donations are accepted or funds expended for line items other than those listed above.

CURRENT BOARD MEMBERS

Please be advised DED staff may contact one or more of these Board members to discuss their role on the Board and their general level of support for and knowledge of this application. (Make copies of this form as necessary.)

BOARD CHAIR/PRESIDENT	DAY PHONE
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	OCCUPATION
MAILING ADDRESS	BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u>)
NAME	DAY PHONE
BOARD POSITION	OCCUPATION
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	CURRENT BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u>)
NAME	DAY PHONE
BOARD POSITION	OCCUPATION
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	CURRENT BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u>)
NAME	DAY PHONE
BOARD POSITION	OCCUPATION
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	CURRENT BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u>)
NAME	DAY PHONE
BOARD POSITION	OCCUPATION
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	CURRENT BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u>)
NAME	DAY PHONE
BOARD POSITION	OCCUPATION
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	CURRENT BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u>)
NAME	DAY PHONE
BOARD POSITION	OCCUPATION
RESIDENT OF PROJECT AREA? <input type="checkbox"/> YES <input type="checkbox"/> NO	CURRENT BOARD TERM (From <u>mo./yr.</u> to <u>mo./yr.</u>)

PARTICIPATING FINANCIAL INSTITUTIONS

Part I: Identify the financial institutions that have agreed to work with your organization to implement the Family Development Account project. Attach contractual agreements for each financial institution listed.

Financial Institution	Contact Person	Title or Position

Part II: If contractual agreements with any of the listed financial institutions have not yet been completed, provide the current status of the relationship or agreement. The contractual agreements do not need to be finalized when you submit the FDA proposal. However, they must be finalized within two months of submission, and submitted to DED for approval prior to opening Family Development Accounts at the financial institution.

NOTE: Agreements should identify the responsibilities of the applicant and the financial institution to promote effective management of the Family Development Accounts and to ensure the safety and security of the accounts.

LETTERS OF SUPPORT ATTACHMENT C

A minimum of **two** letters of support must be submitted. FDA staff may contact the persons listed below to verify their support for the project. Letters of support will only be accepted as part of the application at the time of submittal.

Instructions:

1. Letters of support from the State Representative and State Senator representing the project location are required. To determine your legislators, go to <http://www.senate.mo.gov/LegisLookup/Default.aspx>
2. Letters should refer specifically to the proposed project.
3. Letters must be dated within six (6) months of submission of the application.
4. **Optional** - Applicants may also provide letters from individuals, organizations, or institutions identified in the proposal as support or partner agencies that assist in outcome attainment. Letters of support from members of the applicant's Board, staff, or volunteers are not acceptable.

Name	Organization	Title or Position

CERTIFICATION – ATTACHMENT D

I, the undersigned, acting on behalf of the Applicant named below, hereby certify and agree to the following:

1. The information submitted by the Applicant to DED in connection with the Project is true and correct and such information is consistent with documents provided to lenders, other government programs, or investors. The Applicant hereby authorizes DED to verify such information from any source;
2. Neither the Applicant, nor any person actively engaged in the management of the Applicant:
 - a) Has committed a felony, is currently under indictment for a felony, or is currently on parole or probation;
 - b) Is delinquent with respect to any non-protested federal, state or local taxes or fees;
 - c) Has filed (or is about to file) for bankruptcy, unless otherwise disclosed to DED; or
 - d) Has failed to fulfill any material obligation under any other state or federal program;
3. There are no pending or threatened liens, judgments, or material litigation against the Applicant or any person identified on the application which is likely to have a material impact on the Applicant's viability;
4. Neither the operations of the Project itself nor the receipt of incentives for the Project would violate any existing agreement;
5. The Applicant has obtained or is capable of obtaining all necessary federal, state and local permits and licenses for the Project;
6. I certify that the applicant does NOT knowingly employ any person who is an unauthorized alien and that the applicant has complied with federal law (8 U.S.C. § 1324a) requiring the examination of an appropriate document or documents to verify that each individual is not an unauthorized alien;
7. I certify that the applicant is enrolled and will participate in a federal work authorization program as defined in Section 285.525(6), RSMo., with respect to employees working in connection with the activities that qualify applicant for this program. I certify that the applicant will maintain and, upon request, provide the Department of Economic Development documentation demonstrating applicant's participation in a federal work authorization program with respect to employees working in connection with the activities that qualify applicant for this program;
8. I certify that the Applicant shall include in any contract it enters with a subcontractor in connection with the activities that qualify applicant for this program, an affirmative statement from the subcontractor that such subcontractor is not knowingly in violation of Section 285.530.1, RSMo, and shall not be in violation during the length of the contract. In addition the Applicant will receive a sworn affidavit from the subcontractor under the penalty of perjury, attesting that the subcontractor's employees are lawfully present in the United States. I certify that the Applicant will maintain and provide the Department of Economic Development and Department of Revenue access to documentation demonstrating compliance with this requirement
9. I understand that, pursuant to section 285.530.5, RSMo, a general contractor or subcontractor of any tier shall not be liable under section 285.525 to 285.550 when such general contractor or subcontractor contracts with its direct subcontractor who violates section 285.530.1, if the contract binding the contractor and subcontractor affirmatively states that the direct subcontractor is not knowingly in violation of section 285.530.1 and shall not henceforth be in such violation and the contractor or subcontractor receives a sworn affidavit under the penalty of perjury attesting to the fact that the direct subcontractor's employees are lawfully present in the United States;
10. I understand that if the applicant is found to have employed an unauthorized alien, applicant maybe subject to penalties pursuant to Sections 135.815, 285.025, and 285.535, RSMo;
11. I understand that if the applicant is found to have employed an unauthorized alien in Missouri and did not, for that employee, examine the document(s) required by federal law, the applicant shall be ineligible for any state-administered or subsidized tax credit, tax abatement or loan for a period of five years following any such finding;
12. I attest that I have read and understand the Family Development Account Program guidelines;
13. I will inform DED if, at any time before project completion, there is any change to any of the certifications made herein;
14. I hereby agree to allow representatives of the Department of Economic Development (DED), Department of Revenue, or either of their designated representatives, access to the property and applicable records as may be necessary for the administration of this program; and,
15. I certify under penalties of perjury that the above statements and information contained in the application and attachments are complete, true, and correct to the best of my knowledge and belief.

I certify that I am a Corporate Officer/Member of the Applicant and have the proper authority to execute this document on behalf of the Applicant. I am authorized to make the statement of affirmation contained herein. I also realize that failure to disclose material information regarding the Applicant, any owners or individuals engaged in the management of the Applicant, or other facts may result in criminal prosecution.

Applicant Signature	Print Name	Title	Date
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STATE OF _____)

COUNTY OF _____) ss.

On this ____ day of _____ in the year 20____ before me, _____, a Notary Public in and for said state, personally appeared _____ [name of Corporate Officer/ Member], _____ [Official Title], _____ [Name of Corporation/ Agency], known to me to be the person who executed the within Agreement on behalf of said company and acknowledged to me that he or she executed the same for the purposes therein stated.

Notary Public

My commission expires _____

FDA APPLICATION CHECKLIST

Application

- _____ Initial Application page 17
- _____ Litigation History
- _____ Answers to Questions 1-12
- _____ FDA Budget Page
- _____ Complete copy of the Articles of Incorporation and 501 (c)(3) letter from the IRS

Attachment A – Current Board Members

- _____ Copy of Form Provided

Attachment B – Participating Financial Institutions

- _____ Copy of Form Provided
- _____ Finalized Agreements

Attachment C – Legislator Letters

- _____ State Senator Letter
- _____ State Representative Letter

Attachment D – Certification

- _____ Signed and notarized original copy of Certification

Attachment E – E -Verify

- _____ Copy of the executed E-Verify Memorandum of Understanding

REMINDER

Carefully check your entire application to be sure you have not overlooked any required information or attachments. A checklist is provided for this purpose. Failure to submit all required documentation may result in the automatic disqualification of your proposal. Keep a copy of the entire completed application (including attachments) for your records.